

Manchin-Whitfield Bill Scales Back EPA Carbon Emissions Rules

BACKGROUND

On September 20, 2013, the EPA announced greenhouse gas (GHG) new source performance standards (NSPS) that would hold new coal-fired power plants to a standard that can only be achieved by the installation and use of carbon capture and sequestration (CCS) technology, which has not yet been successfully proven on a commercial basis.

The proposed NSPS rule is proof that the goal of the EPA— and this Administration — is to prohibit the construction of new, efficient, cleaner-burning coal power plants by requiring them to use technology that has not yet been proven on a commercial scale.

The bill also addresses greenhouse gas rules for existing power plants, which will be addressed in the next round of EPA regulations and could potentially be even more damaging to the reliability of our grid as well as job creation and economic growth across America.

The Manchin-Whitfield discussion draft for greenhouse gas regulations would ensure that regulatory standards from EPA are based on technology that is proven and commercially available for use by coal-base.

MANCHIN-WHITFIELD LEGISLATION

The legislation proposed in the Manchin-Whitfield bill strikes a reasonable balance between our environment and our economy.

New Plants:

- Any New Source Performance Standard (NSPS) regulation must be separated into fuel source, coal or natural gas.
- Any standard set by EPA must have been achieved for at least one consecutive 12-month period by at least 6 U.S. electricity generating units (EGUs) on a full commercial basis.
- For coal, a separate subcategory for lignite must be established.
- Any subcategory standard for lignite set by EPA must have been achieved for a continuous 12-month period by at least 3 U.S. EGUs on a full commercial basis.
- Results from demonstration projects cannot be used to set any standard.

Existing Plants:

- Any EPA proposed rule for existing plants will not take effect until Congress passes legislation setting the effective date for the rule.
- EPA must report to Congress the text of the rule; the economic impacts of the rule (including potential effects on economic growth, competitiveness and jobs, and the electricity rate payer); the amount of GHG emissions that will be reduced by the rule compared to overall global GHG emissions.

PROTECTING COAL POWER PLANTS IS IN AMERICA'S BEST INTEREST

Coal is produced in 25 states and approximately 240 million Americans depend on coal for electricity. Coal is also responsible for more than 760,000 U.S. jobs. According to the U.S. Bureau of Economic Analysis, in 2010, U.S. coal mining was responsible for 211,410 direct jobs and more than 554,940 indirect jobs.

Moreover, the lack of competition in the energy sector will not only adversely impact the marketplace, but electricity prices will increase, and so will the chances of major electrical grid failures, since our grid runs best with diversified fuel sources.